

**MINUTES OF THE VINEYARD
REDEVELOPMENT AGENCY BOARD MEETING
City Hall, 240 East Gammon Road, Vineyard, Utah
August 24, 2016 – 7:34 PM**

Present

Absent

Chair Randy Farnworth
Boardmember Tyce Flake
Boardmember Julie Fullmer
Boardmember Dale Goodman
Boardmember Nate Riley

Staff Present: Public Works Director/Engineer Don Overson, Building Official George Reid, Community Development Director Morgan Brim, City Clerk/Recorder Pamela Spencer, Finance Director Jacob McHargue, Utah County Sheriff's Deputy Garrett Dutson, Water and Wastewater Systems Manager Sullivan Love.

Others Present: Gerald Anderson, Stewart Park, Mike Hutchings, and Jeff Walker with Anderson Geneva, resident Doug Drury.

Chair Farnworth opened the meeting at 7:34 PM.

CONSENT AGENDA:

- a) Approval of the July 27, 2016 minutes
- b) Approval of the August 10, 2016 minutes

Chair Farnworth called for a motion.

Motion: BOARDMEMBER FULLMER MOVED TO APPROVE THE CONSENT AGENDA. BOARDMEMBER RILEY SECONDED THE MOTION. ALL WERE IN FAVOR. MOTION CARRIED UNANIMOUSLY.

BUSINESS ITEMS:

2.1 DISCUSSION AND ACTION – Walmart Incentives

The applicant, Anderson Geneva, on behalf of Walmart is requesting that the RDA pay to Anderson Geneva, LLC \$2.00/sq.ft. (\$1,742,400) as an incentive to sell the property to Walmart at a discounted price of \$4.00/sq.ft.(the 20-acre parcel is worth at least \$6.00/sq.ft.) Additionally, the applicant is requesting funding for new infrastructure and concrete removal.

Chair Farnworth called for a motion to allow the staff to work with Walmart.

Motion: BOARDMEMBER FLAKE MOVED TO DIRECT STAFF TO WORK DIRECTLY WITH WALMART TO DISCUSS THE CURRENT RDA APPLICATION, TO WORK WITH THE ANDERSON GROUP TO OBTAIN ALL REQUIRED MATERIALS FOR COMPLETING THE APPLICATION, AND TO SCHEDULE THIS ITEM ONCE ALL

REQUESTED INFORMATION HAS BEEN RECEIVED AND THOROUGHLY REVIEWED BY STAFF AND A REPORT IS FORWARDED TO THE BOARD FOR THEIR REVIEW.

Chair Farnworth called for discussion on the motion.

Boardmember Riley asked if they would be discussing the additional application items separately. Chair Farnworth confirmed that they would be discussing the other items separately.

Boardmember Fullmer asked if they would be talking about the Walmart request during this meeting. Chair Farnworth stated that in previous discussions they felt that they did not have all of the information. He said that staff could not answer the public's questions until they had that information.

Boardmember Fullmer asked if they needed to add any information that they would like staff to gather to the motion. Mr. Brim replied that they could email him with their requests and he would gather the information.

BOARDMEMBER RILEY SECONDED THE MOTION. ALL WERE IN FAVOR. MOTION CARRIED UNANIMOUSLY.

Concrete Removal – Chair Farnworth stated that the current concrete removal request had nothing to do with the previous concrete approval. He explained that the request was to remove the concrete down 8 feet on the proposed Walmart site. He said that the request was for \$2.5 million and it would be a budget line item but could cost less. Boardmember Riley asked how the applicant was going to accomplish it.

Gerald Anderson with Anderson Geneva replied that the issue was that everyone would like the concrete removed. He said that complete concrete removal could be as much as \$30 million. They would like to negotiate with tenants and only remove the concrete necessary to get the utilities to their sites. Part of the strategy would be to raise the site by bringing in dirt. He said that they were looking for a budget line item, not an appropriation.

Mr. McHargue asked if this request was only for the 20-acre site and the public infrastructure. Mr. Anderson replied that the \$2.5 million was for the 20 plus acre site. He said that the request for the piece next to it would come later. He explained that it was hard to identify how much would be removed until they knew who the tenant would be.

Chair Farnworth asked if they had learned anything from the past removal. Mr. Anderson explained the process for removal and crushing of the concrete. He mentioned that the sale of the concrete paid for most of the crushing. He said that they were now getting into the areas where the concrete was the deepest and had a lot rebar. Boardmember Riley asked if they were anticipating that the concrete would have a lot of transite. Mr. Anderson explained the process for locating the transite and what transite was. He said they there was no way of knowing which areas had the transite and which ones did not.

Resident Doug Drury, living in the Sleepy Ridge subdivision, asked if the \$63 million in the Geneva Steel fund would be used for any of the removal. Chair Farnworth explained that the amount was discussed with each request. Mr. Anderson said that they negotiated with US Steel

and the \$63 million was for the Containment Area Management Unit (CAMU) portion of the cleanup.

Chair Farnworth stated that they had learned from what had been done before and they were able to stay within the budget. Mr. Anderson mentioned that Mr. Overson had found an opportunity to use the concrete on site, in place of road base.

Boardmember Goodman asked if the \$2.5 million was just for the 20 acres and where the money would go if they did not use it all. Mr. McHargue replied that it would go back into the RDA. Mr. Anderson stated that they would have to reapply for further concrete removal.

There was a discussion of the budgeting process and if they could approve a larger budget for concrete removal on other sites. This would make it so that Anderson Geneva would not have to come to the RDA Board each time they had a request for concrete removal until the budgeted amount had been dispersed. Boardmembers expressed concerns that the money would be tied up for concrete removal and not be available for other requests. Chair Farnworth asked if it would be a good idea to continue this item, to a future agenda, until staff could work through a process. Mr. Anderson said that was why they were asking for a budget line item, not an appropriation, until they had a timeline.

The Board agreed to continue the discussion until there was further information. Mr. Hutchings suggested that they vote on the current request now and then discuss a budget line item for further removal. The Board agreed to vote on the specific item and then explore the budget line item further.

Motion: BOARDMEMBER FULLMER MOVED TO CONTINUE THIS DISCUSSION, UNTIL THEY HAVE MORE INFORMATION ON THEIR OPTIONS AND HAVE STAFF MEET WITH ANDERSON GENEVA ON THE CONCRETE REMOVAL.

Jeff Walker with Anderson Geneva asked for clarification on what additional information they were requesting. Chair Farnworth replied that they were asking if their engineers could come up with a dollar amount on the concrete removal.

Mr. Anderson asked if they could address the cleanup of 130 acres for their commercial center. They discussed how they could make this work. Boardmember Goodman said that he was not suggesting they come up with a “not to exceed” number. He was asking if the 20 acres would be so much money, then they could assume that the next 20 acres would be similar, so they could lump things together and do a certain amount of work with, for example, \$8 million and not have to come back to the Board as often. Further discussion ensued about the concerns with concrete removal. Mr. Anderson mentioned that it was actually 28 acres for this current concrete removal request.

BOARDMEMBER FULLMER WITHDREW HER MOTION.

Chair Farnworth called for a motion on the current concrete removal request.

Motion: BOARDMEMBER RILEY MOVED TO APPROVE A BUDGET OF \$2.5 MILLION FOR CONCRETE REMOVAL ON THE 28-ACRE SITE THAT WAS BEING CONSIDERED.

BOARDMEMBER GOODMAN SECONDED THE MOTION. ALL WERE IN FAVOR. MOTION CARRIED UNANIMOUSLY.

Infrastructure – Mr. Anderson explained that there was a proposed road at 1200 North going from Geneva Road to Mill Road, but it could not be at that location because of the Geneva Nitrogen plant. They were suggesting a road at 1000 North going from Geneva Road to Mill Road, running parallel to the Vineyard Connector and allow connection into the UVU property. He said that they wanted to provide roads that would be wide enough for future growth. They were proposing a five (5) lane road and Mr. Overson felt that they only needed a three (3) lane road. Mr. Anderson explained the roads and pointed out where the roads were currently located and where the new road would be located. He stated that the east/west road would be part of the capital facilities plan and the north/south road could be part of it. He said that they requested \$1.5 million and had an actual bid of about \$450,000. The Board continued the discussion of the roads.

Mr. Anderson said that the \$1.5 million would be a budget line item, and then they would ask for the appropriation when the roads were completed. Mr. Overson asked for a traffic study. Mr. Anderson felt that the traffic study was only as good as the assumptions that were made. Mr. Overson felt that the 1000 North road would not have as much traffic as the applicant was expecting. He felt that more people would come off of the freeway onto the Vineyard Connector and enter the site from Mill Road. Boardmember Riley mentioned UVU's traffic problem in Orem. He stated that if this area would generate that amount of traffic, then they had to seriously look at making the roads wider. Mr. Overson felt that the site would be different than the Orem site and they would have three (3) access points to that site. He said that they would have to maintain a five (5) lane road whether they needed it or not. Mr. Anderson stated that if the RDA funds the road then it would be a city road and they would have to have the city engineer approve it. He said that they would get Ryan Hales with Hales Engineering to do the traffic study. He said that they met with UVU who shared what their plans were for their site in Vineyard.

Boardmember Fullmer asked about the road going north and south into the proposed Walmart site. Mr. Overson replied that based on his experience where they had put a major road going into a parking lot, they needed to make it a three (3) lane road. He recommended that the RDA pay for the third lane. He felt that they would see more traffic on the Vineyard connector than off of Geneva Road. Mr. Overson gave a definition of a backbone road versus a project road. Mr. Anderson felt that 1000 North could be a major road giving UVU a major entrance. Discussion continued on the road running north and south and possible future roads in that area. There was a discussion on what types of road the RDA could spend their money. Mr. Hutchings commented that they could call the road what they wanted, but the key was would the road function to move traffic and spur development.

Chair Farnworth felt that they needed more information. He suggested that they turn the application back to the staff to work with Anderson Geneva.

Chair Farnworth called for a motion.

Motion: BOARDMEMBER FLAKE MOVED THAT THE RDA BOARD CONSULT WITH THE CITY ENGINEER AND WHEN HE RECEIVES THE PROPOSED TRAFFIC STUDY, AND IN HIS DISCUSSION WITH ANDERSON GROUP THEY COME TO A DECISION ON

THE SIZES OF THE ROADS, THEN THEY CAN TAKE ACTION UNTIL THEN THIS ITEM IS CONTINUED. BOARDMEMBER GOODMAN SECONDED THE MOTION. ALL WERE IN FAVOR. MOTION CARRIED UNANIMOUSLY.

ITEMS REQUESTED FOR NEXT AGENDA:

•*UDOT Bond Modification* – Mr. McHargue explained that they had received the money for the rail spur removal and nothing had happened and it was accruing interest charges. He said that UDOT had offered to forgo that interest and asked them to use a fund balance, which would save money in interest. He said that they were renegotiating the bond.

•*Parameters Resolution for refunding of the 2013 bond* – Mr. McHargue explained that they had time in the bonds and the interest could be renegotiated. He said that if they refund the bonds now, they would have a higher bonding capacity in six months.

The Board agreed to put these items on the agenda for the next RDA meeting.

ADJOURNMENT

Chair Farnworth called for a motion to adjourn the meeting.

Motion: BOARDMEMBER GOODMAN MOVED TO ADJOURN THE MEETING AT 8:32 PM. BOARDMEMBER FULLMER SECONDED THE MOTION. ALL WERE IN FAVOR. MOTION CARRIED UNANIMOUSLY.

RDA meetings are held on an as-needed basis.

MINUTES APPROVED ON: September 14, 2016

CERTIFIED CORRECT BY: /s/ Pamela Spencer
PAMELA. SPENCER, CITY CLERK/RECORDER